



January 28, 2020

Postal Regulatory Commission  
Suite 200  
901 New York Avenue NW  
Washington, D.C. 20268

**REFERENCE: Docket RM2017-3**

Dear Commissioners:

As you consider rate-setting decisions through 2025, we wish to express concern about the potential impact of proposed large Periodicals rate increases on our significant mail quantities and the communication those mail quantities represent to hundreds of thousands of South Carolinians.

The Electric Cooperatives of South Carolina Inc. (ECSC) publishes *South Carolina Living* magazine for our 19 member-cooperatives, and it is their primary communication vehicle to their consumer-members, other than the members' monthly electricity bills. As member-owned utilities, cooperatives have a special and specific obligation to regularly communicate with their members.

*South Carolina Living* has been published for more than 65 years and is one of more than two dozen similar electric cooperative member publications in the United States. With a monthly circulation of more than 600,000, postal costs are significant for these not-for-profit utilities, first established in the 1930s to bring electricity to rural areas where other power companies would not serve. The cooperatives still operate at a disadvantage with far fewer customers per mile of expensive power line than investor-owned utilities or municipally owned utilities.

I provide the above explanation to identify the proverbial rock and hard place between which cooperatives exist as it relates to Docket RM2017-3. On the one hand, they have the obligation to educate and communicate with their members regarding the wise and safe use of electricity and the utility those members own. On the other hand, they operate in a less economically strong—but still legally obligatory—business enterprise providing a required product.

The PRC's proposed Periodicals rate increases create significant risk—both for the U.S. Postal Service and for electric cooperatives. For the electric cooperatives, significant postal cost hikes could force severe cost containment measures, even to the point of determining that the total



cost (production plus postage) of subscriptions to *South Carolina Living* magazine is unsustainable. For USPS, this could mean the loss of more than \$1,200,000 annually—in South Carolina alone. While I can't speak for other organizations like ours, I believe the calculus could be similar for them.

We are struggling mightily—as you are—to find other sources of financial support. We work hard to sell advertising in the magazine, our only source of covering the cost of the magazine other than subscriptions by our member-cooperatives for their consumers. The cost pressures are intense, and large postal rate increases could be devastating.

We ask that you consider this very real double risk and avoid such detrimental rates for us all.

Sincerely,

A handwritten signature in cursive script that reads "Lou Green".

Lou Green  
Executive Vice President, ECSC  
Publisher, *South Carolina Living*

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